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24 January 1955

MEMORANDUM FOR: Mr. Allan Evans (OIR)
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SUBJECT : NIE 11-3-55: Soviet Capabilities and
Probable Soviet Courses of
Action through 1960

1. The attached terms of reference, indicating the allocations of production responsibility, were agreed on at the meeting of the IAC representatives on Friday, 21 January.

2. It is requested that contributions be received in this office by the close of business on Friday, 11 March.

Paul A. Borel

PAUL A. BOREL
Deputy Assistant Director
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Distribution "B"

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C E N T R A L I N T E L L I G E N C E A G E N C Y

24 January 1955

SUBJECT: TERMS OF REFERENCE: NIE 11-3-55: SOVIET CAPABILITIES
AND PROBABLE SOVIET COURSES OF ACTION THROUGH 1960

THE PROBLEM

To examine the political, economic, scientific, and military strengths and weaknesses of the USSR and to estimate probable Soviet courses of action through 1960.*

INTRODUCTORY NOTE

Basic information provided for NIE 11-4-54 need not be repeated in contributions submitted for this paper. The present terms are

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- * The paper should treat the other states of the Communist Bloc insofar as they contribute to Soviet scientific, economic, and military capabilities or constitute a drain upon those capabilities. The effect upon Soviet courses of action of intra-Bloc relationships should also be considered.

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designed only to bring out significant changes and elicit additional information developed since the publication of NIE 11-4-54. Significant changes in the conclusions and discussion of NIE 11-4-54, not reflected in the responses to the questions below, should be pointed out in the contributions.

I. MAINFACORS AFFECTING SOVIET COURSES OF ACTION

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A. Political Factors

1. USSR

- a. Have there been significant changes in the composition of or the relations within the Soviet ruling group since mid-1954? Have there been developments in domestic and foreign policy which seem likely to produce strains within the Soviet leadership? Are changes likely to occur within this groups during the period of this estimate which would affect the authority of the regime and its freedom of action in domestic and foreign policy?

- 2 -

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- b. Have significant changes occurred in the institutional bases of Soviet authority (governmental apparatus, party, police, military)? Are changes likely to occur in the power relationships between these groups which would affect the authority of the regime and its freedom of action in domestic and foreign policy?
- c. Have significant changes occurred in the regime's policies toward the population at large and toward selected social classes, or are they likely to occur? Are any domestic policies or political or social issues within the USSR likely to develop in such a way as either to weaken or strengthen the authority of the regime and its freedom of action in domestic and foreign policy?
- d. What is the status of the regime's policies to ameliorate living conditions and to restrict the arbitrary exercise of the police power against the population? Are these policies likely to be continued or are there

- 3 -

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signs of factors developing which will alter the regime's intention to carry through such policies? What has been the development of popular, non-Party attitudes toward the regime in the post-Stalin period?

2. Soviet-Satellite Relations

- a. Have significant changes occurred or are they likely to occur in Moscow's relations with the Satellites? Are there any developments likely to occur within the Satellites or in the free world which would affect Moscow's authority?
- b. To what extent have developments within the Satellites affected Moscow's freedom of action in domestic and foreign policy? Are changes likely to occur within the Satellites which would affect Moscow's freedom of action within the Satellites and Moscow's policies toward the free world?

- 4 -

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3. Sino-Soviet Relations

- a. Have significant developments taken place in Sino-Soviet relations? Is it likely that the political, economic, and military issues involved in Sino-Soviet relations will develop in such a way as to affect the relationship between Moscow and Peiping or the freedom of action exercised by each in its respective foreign and domestic policies?
- b. Have changes occurred or are they likely to occur in the respective roles of Moscow and Peiping in the Viet Minh and North Korean regimes? Are changes likely to occur which would affect Moscow's or Peiping's freedom of action with respect to these regimes and Bloc policies toward the non-Communist world?

4. Foreign Communist Parties

- a. Have any significant changes occurred or are they likely to occur in Moscow's relations with foreign

- 5 -

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Communist parties? Are any of these Communist parties likely to be able to seize power or increase their influence significantly during the period of this estimate?

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OIRB. Economic Factors1. Economic Policy and Quantitative Trends

- a. What were the main trends in Soviet economic policy in 1954? Have significant changes in economic policy taken place recently or are they likely to take place during the period of the estimate? What will be the critical factors in Moscow's decisions on economic policy?
- b. What were the main trends in Soviet GNP in 1954: in the growth of GNP, in the allocation of GNP to defense, investment, and consumption, and in the growth of the various sectors of the economy? What is the significance of these trends in terms

- 6 -

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of the continued growth of the economy? What comparisons can be made between Soviet and US GNP, between Bloc and NATO GNP?

- c. What will be the probable growth rate of Soviet GNP during and beyond the period of this estimate? What would be the effect on the growth rate of alternative allocations of resources (e.g., a sharp increase in defense expenditures)?

2. Economic Resources

- a. What were the main trends in 1954 in the growth of the Soviet population, in the size and composition of the labor force, in the supply of basic raw materials and finished products, and in the stock-piling program?
- b. Is it likely that human or material resources will limit the growth of the Soviet economy during and beyond the period of this estimate? Will there be serious bottlenecks?

- 7 -

~~SECRET~~

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CONFIDENTIAL3. Developments in the Principal Economic Sectors

- a. What were the main trends in 1954 in the three sectors of Soviet industrial production (capital goods, consumer goods, military production), and how do these trends compare with the past? What were the trends in administrative efficiency, labor productivity, and technological development? What will be the probable growth rates of these sectors in the period of the estimate?
- b. What were the trends (quantitative) in the production of ground, naval, and air weapons in 1954, and how do these trends compare with the past? What comparisons can be made between Soviet and US trends in the production of military end-items? What will be the effect of the increasing complexity and cost of modern weapons on levels of Soviet military expenditure?
- c. What were the main developments in Soviet agriculture in 1954? What are the principal geographic

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- 8 -

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and natural limitations on the expansion of agricultural production, including the present land expansion program? What will be the critical economic factors affecting the implementation of agricultural policy? What will be the probable growth rate during the period of this estimate?

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- d. Has the Soviet communication and transportation system kept pace with the growth of the economy in recent years? Is the system, and its planned growth, adequate to meet the requirements of the economy during the next five years? How adequate is it to meet economic and military requirements in a general war?
- e. What were the main trends in urban and rural living standards in 1954? In food consumption, in the supply of consumer durables and textiles, in the level of housing, and in real income? What will be the probable trends during this period? What will be the critical factors affecting the growth of living standards?

- 9 -

~~CONFIDENTIAL~~

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- f. What economic effects would result from either a significant underfulfillment of the regime's program to increase consumer benefits?

4. Foreign Trade

- a. What were the principal developments in the volume, composition, and direction of Soviet trade in 1954 with the Satellites, Communist China, and the West? How do these trends compare with the past?
- b. What will be the probable trends in Soviet trade during this period? What has been the effect thus far or is likely over the next five years to be the effect on Soviet economic development of the close economic relations existing within the Bloc as a whole? In what respects do these relations constitute a gain for or a change upon the Soviet economy?
- c. What were the trends in Soviet balance of payments in trade with the West, including the role of gold sales? What are the prospects for a shift in

- 10 -

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Soviet trade policy from exports of agricultural products to exports of minerals and manufactures?

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C. Scientific and Technical Factors Affecting Soviet Capabilities

1. Quantitative. (Use charts and graphs wherever possible. Include figures for 1955, 1958, and 1960.) What are total scientific assets of the USSR, i.e., manpower, facilities, financial support, etc.? How do USSR figures compare with the US? What proportions of these totals are engaged in activities directly affecting military capabilities, specifically in the physical sciences, and in basic industry, light industry, health, and agricultural research and technology?
2. Qualitative. What is the quality of Soviet scientific training and research in major scientific fields? How do these compare with the West? How does ideology affect quality and independence of research?
3. Satellite and Communist Chinese Contribution. What contributions to Soviet scientific capabilities are made by the Satellites and Communist China?

- 11 -

~~SECRET~~

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4. Probable Major Developments During the Period of this Estimate. What will be the major strengths and weaknesses of Soviet sciences? What are Soviet capabilities in the most important scientific and technological fields, the probable developments in each field, and the weapons and weapons systems (including nuclear) which will probably be developed and produced? Is the USSR developing applications of nuclear energy for other uses than weapons, for example, in propulsion systems and power plants? What are the implications of such developments? In general terms, are Soviet (and Bloc) scientific capabilities likely to meet Soviet (and Bloc) requirements during this period?

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D. Bloc Military Capabilities1. Probable Soviet Military Strategy

- a. In general terms what strategic concepts govern Soviet military planning? Are these still decisively influenced by World War II experience

- 12 -

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or the continued dominance of ground generals?
Are changes taking place in the balance of Soviet
forces which reflect changes in strategic thinking?

- b. Are any significant changes in Soviet military strategy likely to occur during this period, and if so, what are the probable determining factors? Are Soviet military planners likely to come to believe in the period 1955-1960 that they would be capable of decisively damaging US war-making strengths?

2. Bloc Military Forces (By National Units)

- a. Quantitative. (Use charts whenever possible and include figures for updating Tables 1-8, Appendix D, NIE 11-4-54. Include figures for mid-1955, mid-1958, and mid-1960. Give margins of error, degree of reliability, or basis of estimate where possible.)

- (1) What is Bloc armed strength: TO&E, and where possible, actual? What is the composition of

- 13 -

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Bloc armed forces, including security forces?

What is the disposition of Bloc armed forces?

- (2) What is the size of the military manpower pool? Of trained reserves? What is the mobilization capacity of the Bloc for M \neq 30, M \neq 180, in terms of manpower, military organization, and units?
- (3) What is the size of the inventories and reserve stocks of major military weapons, including mass destruction weapons?
- (4) What will be the probable annual production of major military end-items during this period? In general terms, how will estimated Soviet strategic requirements and the increasing unit cost and complexity of major weapons affect weapons priorities and thus the level of production within major sectors (ground, sea, air, nuclear, and guided missiles) of the defense establishment?

- 14 -

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- b. Qualitative. (Indicates probable basic trends during this period). What is the quality of the Bloc armed forces from the point of view of effectiveness, political reliability, and morale? What is the state of training in the various services, particularly in the Long-Range Air Force and air defense forces? What is the quality of combat support services? What is the general quality of major items of Soviet equipment? What is the degree of coordination between the major military services and between the national units of the Bloc? To what extent would logistic weaknesses limit the effectiveness of Soviet or Bloc forces in specific areas?

3. Over-all Capabilities

- a. In general terms, how do the major Soviet Bloc political, economic, scientific, and military strengths and weaknesses affect Soviet military capabilities? To what extent will new Soviet military developments during this period modify present capabilities to

- 15 -

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pursue both offensive and defensive action for
localized or general war?

- b. In what respect do other states of the Bloc contribute to or constitute a limitation upon Soviet military capabilities?
- c. In very general terms, what are the capabilities of the Soviet economy to support simultaneous campaigns?
- d. Also in general terms, what are the recuperative capabilities of the Soviet economy against attacks by mass destruction weapons (stockpiles, dispersal of industry, communications lines)?

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II. SOVIET ESTIMATE OF THE WORLD SITUATION

- A. In the Soviet view, what are the major developments during the past year which have had an effect, actually or potentially, upon the strategic position of the Soviet Bloc vis-a-vis the non-Communist world? What dangers to Soviet security,

- 16 -

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and what opportunities for the advancement of Soviet interests have emerged or are likely to emerge as a result of these developments? What is the Soviet estimate of the actual and potential effect of those developments upon the cohesiveness and policies of the Western alliance?

- B. What is the Soviet estimate of US capabilities and intentions? Does the USSR in fact base its own plans on a belief that the US intends to attack the USSR or to support aggressive policies against one or all of the Bloc states?
- C. What is the Soviet estimate of the world balance of forces and how in the Soviet view will the relative military strength of the Soviet Bloc and the West develop in the future? What is likely to be the effect on the Soviet view of the world situation of the approach of nuclear plenty?
- D. What is the Soviet estimate of the vulnerabilities in the non-Communist world? In the Soviet view, what issues are potential sources of friction among the Western allies, and

- 17 -

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what other weaknesses of a moral, political, or economic nature appear susceptible of exploitation?

- E. Are there major differences between Soviet and Chinese Communist estimates with respect to any of the above questions?

OIR III. PROBABLE SOVIET OBJECTIVES AND COURSES OF ACTION
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A. Probable Soviet Objectives

1. Have the developments discussed above, or other factors, cause the Soviet leaders to modify in any way their short-term aims? Have they caused the Soviet leaders to change their estimate of the likelihood (or the timing) of the achievement of these aims?
2. Have they caused the Soviet leaders to modify their methods?
3. To what extent would Soviet aims or methods be modified or extended in the event of a major change in the world

- 18 -

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situation, such as, for example, a major increment in Western military strength?

B. Probable Soviet Courses of Action

1. In general, what courses of action will the Soviet leaders pursue during the course of this estimate? What areas of the world will they consider most important, both for the immediate future and for the longer run? What major issues will they attempt to exploit? In what ways? How will considerations affecting the Bloc as a whole bear on Soviet courses of action?
2. In particular, what courses of action will the Soviet leaders pursue in each area of the world? (Contributions should include brief summaries of major developments in each area of the world during the past year which may affect Soviet courses of action. For example, recent developments in Soviet relations with such countries as Japan, Afghanistan, Iran, Yugoslavia,

- 19 -

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and Finland should be adequately documented. The trends in Soviet foreign trade and technical assistance policies, and the political implications thereof, should also be discussed.)

3. Has the parallelism of Soviet and Communist Chinese policies in the Far East been affected by developments within the past year? In what ways might the Chinese Communists try to modify Soviet decisions and courses of action as set forth in the answers to questions 1 and 2 above? Might the Chinese Communists take courses of action contrary to the desires of the Kremlin? If so, what are these courses of action, and under what conditions might they be taken?

- 20 -

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